

**IN THE UNITED STATES BANKRUPTCY  
COURT FOR THE SOUTHERN DISTRICT  
OF TEXAS HOUSTON DIVISION**

<b>In re:</b>	§	
	§	
<b>Watson Valve Services, Inc.</b>	§	<b>Case No. 20-30968</b>
	§	
<b>Debtor.</b>	§	<b>Chapter 11</b>

**SECOND MONTHLY FEE STATEMENT OF MACCO  
RESTRUCTURING GROUP, LLC, AS FINANCIAL ADVISORS FOR  
DEBTOR AND DEBTOR IN POSSESSION, FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE  
MONTH OF APRIL 2020**

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<b>Name of Applicant:</b>	MACCO Restructuring Group, LLC
<b>Date of Retention<sup>1</sup>:</b>	April 9, 2020
<b>Period for which Fees and Expenses are Incurred:</b>	April 1 – April 30, 2020
<b>Interim Fees Incurred:</b>	\$ 22,605.00
<b>Interment Payment of Fees Requested (80%):</b>	\$ 18,084.00
<b>Interim Expenses Incurred:</b>	\$ 0.00
<b>Total Fees and Expenses Due:<sup>2</sup></b>	\$ 18,084.00

This is the Second Monthly Fee Statement.

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<sup>1</sup> Ordered authorizing application to employ was amended and entered on April 10, 2020 [Docket No. 137]. Applicant was retained as of February 25, 2020.

<sup>2</sup> Pursuant to this Court's Order pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals [Docket No. 120], if no objection to the fees or expenses sought in the Monthly Statement is received by the expiration of the objection deadline, the Debtor is authorized to promptly pay 80% of the fees and 100% of the expenses identified in the Monthly Statement. Parties have fourteen days to object.

MACCO Restructuring Group, LLC (“MACCO”), as Financial Advisors for Debtor and Debtor in Possession of Watson Valve Services, Inc. (“**Debtor**”) submits this Second Monthly Fee Statement (“**Fee Statement**”) for the period from April 1, 2020 through April 30, 2020 (“**Application Period**”) in accordance with the Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals [Dkt. No. 120] (“**Interim Compensation Order**”).

MACCO requests compensation for professional services rendered in the amount of \$22,605.00 (“**Fees**”), and for reimbursement of out-of-pocket expenses incurred in the amount of \$0.00 (“**Expenses**”), for the period from April 1, 2020 through April 30, 2020. Eighty percent (80%) of the fees equals \$18,084.00 and one hundred percent (100%) of the Expenses equals \$0.00 for a total requested amount of \$18,084.00. A summary of the time expended by MACCO professionals, together with their respective hourly rates is attached as **Exhibit A**. A summary of the fees by project category are attached as **Exhibit B**. A summary of expenses is attached as **Exhibit C**. The invoice for fees and expenses incurred during the Application Period is attached as **Exhibit D**.

### **NOTICE**

Pursuant to the Order Establish Interim Professional Compensation Procedures [Bk. Dkt. No. 120], notice of this Fee Statement will be provided to (i) the Office of the United States Trustee for the Southern District of Texas; (ii) Husch Blackwell as counsel for Texas Capital Bank, the secured lender; and (iii) counsel for the January 24 Claimants Committee in the Watson Grinding & Manufacturing Co. bankruptcy case, Case No. 20-30967, pending before this Court.

**PRAYER**

WHEREFORE, MACCO respectfully requests payment and reimbursement in accordance with the procedures set forth in the Interim Compensation Order (i.e., payment of compensation for professional services rendered) as follows:

<b>Fees (80%)</b>	\$ 18,084.00
<b>Expenses (100%)</b>	<u>\$ 0.00</u>
<b>Total Interim Request</b>	<b><u>\$ 18,084.00</u></b>

The Debtor respectfully requests that this Court grant the relief requested to use cash collateral on an interim basis and for such other and further relief to which it is entitled.

Dated: May 12, 2020

Respectfully submitted,

**MACCO Restructuring Group, LLC**

By: /s/ Drew McManigle  
The Pennzoil Building  
700 Milam Street, Suite 1300  
Houston, Texas 77002  
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Email: [drew@maccorestructuringgroup.com](mailto:drew@maccorestructuringgroup.com)

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***Counsel for Watson Valve Services, Inc.***

**CERTIFICATE OF SERVICE**

The undersigned certifies that on May 12, 2020, a true and correct copy of the foregoing Fee Statement was served electronically on all parties registered to receive electronic notice of filings in this case via this Court's ECF notification system, and via email on the following parties:

**Counsel for the US Trustee**  
Stephen Statham

[Stephen.Statham@usdoj.gov](mailto:Stephen.Statham@usdoj.gov)

**Counsel for the Secured Lender**  
Tim Million

[tim.million@huschblackwell.com](mailto:tim.million@huschblackwell.com)

**Counsel for the January 24 Claimants Committee**  
Josh Wolfshohl

[JWolfshohl@porterhedges.com](mailto:JWolfshohl@porterhedges.com)

/s/ Drew McManigle

Drew McManigle

**EXHIBIT A – TIMEKEEPER ANALYSIS**

<b>NAME</b>	<b>HOURS</b>	<b>HOURLY RATE</b>	<b>TOTAL</b>
Drew McManigle	4.20	\$550.00	\$2,310.00
Paul Maniscalco	1.00	\$550.00	\$550.00
Kathy Mayle	4.80	\$400.00	\$1,920.00
Pablo Bonjour	1.40	\$400.00	\$560.00
Frank Cottrell	26.10	\$400.00	\$10,440.00
Micah Miller	18.50	\$350.00	\$6,475.00
Eric Moll	2.00	\$175.00	\$350.00
<b>Totals:</b>	<b>58.00</b>		<b>\$22,605.00</b>

**EXHIBIT B**  
**FEES BY PROJECT CATEGORY**

## MACCO Restructuring Group

ACTIVITY BY PROJECT

**EXHIBIT B****FILTERS USED :****Project In :** Watson Valve - Chapter 11**and Time Entry Date In :** 4/1/2020 To 4/30/2020

PROJECT: Watson Valve - Chapter 11

*Drill Down Enabled*

ACTIVITY	DESCRIPTION	EMPLOYEE	HOURS	AMOUNT
001:	Client Meeting			
		Eric Moll	2.00	\$350.00
		Frank Cottrell	1.40	\$560.00
		Pablo Bonjour	0.20	\$80.00
		001: TOTAL:	3.60	\$990.00
002:	Attorney Meeting			
		Frank Cottrell	5.30	\$2,120.00
002:	Response to financial information request.			
		Frank Cottrell	0.60	\$240.00
		002: TOTAL:	5.90	\$2,360.00
005:	Attorney Communication			
		Drew McManigle	2.50	\$1,375.00
		Pablo Bonjour	1.20	\$480.00
		005: TOTAL:	3.70	\$1,855.00
007:	Internal Communication			
		Drew McManigle	0.60	\$330.00
		Micah Miller	0.30	\$105.00
		007: TOTAL:	0.90	\$435.00
009:	Operations			
		Drew McManigle	0.30	\$165.00
		Frank Cottrell	2.10	\$840.00
		009: TOTAL:	2.40	\$1,005.00
010:	Accounting and Financials			
		Frank Cottrell	16.70	\$6,680.00
		Kathy Mayle	0.20	\$80.00
		010: TOTAL:	16.90	\$6,760.00
016:	Case Administration			
		Drew McManigle	0.40	\$220.00
		Kathy Mayle	1.70	\$680.00
		Micah Miller	12.60	\$4,410.00
		Paul Maniscalco	1.00	\$550.00
		016: TOTAL:	15.70	\$5,860.00
018:	Employment/Fee Applications/Objections			
		Drew McManigle	0.40	\$220.00
		Kathy Mayle	1.70	\$680.00
		018: TOTAL:	2.10	\$900.00
023:	Preparation of Schedules and Statements			
		Kathy Mayle	1.20	\$480.00
		Micah Miller	5.60	\$1,960.00
		023: TOTAL:	6.80	\$2,440.00
		Watson Valve - Chapter 11 TOTAL:	56.00	\$22,255.00
		<b>GRAND TOTAL:</b>	<b>58.00</b>	<b>\$22,605.00</b>

## **EXHIBIT C – Summary of Expenses**

EXPENSES \$0.00



**EXHIBIT D – INVOICE**

**MACCO Restructuring Group**

Pennzoil Place 700 Milam Street, Suite 1300  
Houston, TX 77002  
Tel: 410-350-1839  
admin@maccocrestructuringgroup.com  
www.maccocrestructuringgroup.com

**EXHIBIT D****INVOICE**

INVOICE DATE: 4/30/2020

INVOICE NO: 1075

BILLING THROUGH: 4/30/2020

Bob White  
Watson Valve Services, Inc.  
4525 Gessner Road  
Houston, TX 77041

Watson Valve - Chapter 11

Managed By: Drew McManigle

**PROFESSIONAL SERVICES**

DATE	EMPLOYEE	DESCRIPTION	HOURS	RATE	AMOUNT
<b>001:</b>	<b>Client Meeting</b>				
2/26/2020	Eric Moll	Initial meeting with Watson Grinding Executives and counsel, followed by MACCO team meeting for post-meeting discussion.	2.00	\$175.00	\$350.00
4/1/2020	Frank Cottrell	Wind Down Planning Discussion.	1.40	\$400.00	\$560.00
4/29/2020	Pablo Bonjour	Communication with J. Martin and F. Cottrell regarding the liquidation analysis for Watson Valve.	0.20	\$400.00	\$80.00
<b>001: Client Meeting Totals:</b>			<b>3.60</b>		<b>\$990.00</b>
<b>002:</b>	<b>Attorney Meeting</b>				
4/6/2020	Frank Cottrell	Wind down and work in process discussion.	0.60	\$400.00	\$240.00
4/10/2020	Frank Cottrell	Wind down and work in process discussion.	0.80	\$400.00	\$320.00
4/20/2020	Frank Cottrell	Compiling of response to Charles Rubio, personal lawyer to John Watson.	1.00	\$400.00	\$400.00
4/21/2020	Frank Cottrell	Wind down and work in process discussion w/ Charles Rubio and Watson Management.	1.40	\$400.00	\$560.00
4/23/2020	Frank Cottrell	Wind down and work in process discussion.	0.60	\$400.00	\$240.00
4/28/2020	Frank Cottrell	Going Concern analysis discussion based on repair only. Drafting of info request.	0.90	\$400.00	\$360.00
4/29/2020	Frank Cottrell	Going Concern analysis discussion based on repair only. Drafting of info request.	0.60	\$400.00	\$240.00
<b>002: Attorney Meeting Totals:</b>			<b>5.90</b>		<b>\$2,360.00</b>
<b>005:</b>	<b>Attorney Communication</b>				

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4/20/2020	Drew McManigle	From C. Rubio, Watson counsel requesting information (.1); notes (.2) and internal call with P. Bonjour and F. Cottrell re: same and response (.3); review same and conference call request (.2).	0.80	\$550.00	\$440.00
4/21/2020	Drew McManigle	With counsel to John Watson, MACCO team and debtors counsel to review and discuss Watson Valve viability ad related (.8); post call review with MACCO team (.3); and call with counsel re: DIP vs. Watson individual issues (.3).	1.40	\$550.00	\$770.00
4/23/2020	Drew McManigle	Re: Liquidation Analysis request and related matters (.3); notes with MACCO team re: same.	0.30	\$550.00	\$165.00
4/28/2020	Pablo Bonjour	Call with Jarrod Martin regarding Watson Valve analysis (.7); communications with F. Cottrell regarding checklist and updating checklist (.5).	1.20	\$400.00	\$480.00
<b>005: Attorney Communication Totals:</b>			<b>3.70</b>		<b>\$1,855.00</b>
<b>007:</b>	<b>Internal Communication</b>				
4/9/2020	Drew McManigle	With K. Mayle to review Order appointing MACCO, noting changes and language (.5); monitor notes related to amendments(.1).	0.60	\$550.00	\$330.00
4/17/2020	Micah Miller	Call with Paul Maniscalco to review March 2020 MOR.	0.30	\$350.00	\$105.00
<b>007: Internal Communication Totals:</b>			<b>0.90</b>		<b>\$435.00</b>
<b>009:</b>	<b>Operations</b>				
4/9/2020	Drew McManigle	Review update note from F. Cottrell and respond to same re: new jobs.	0.30	\$550.00	\$165.00
4/9/2020	Frank Cottrell	Wind Down Plan, WIP and Ariba review.	0.80	\$400.00	\$320.00
4/27/2020	Frank Cottrell	Answer Matt Snow's and J. Martin's questions re: budget and procedures.	1.30	\$400.00	\$520.00
<b>009: Operations Totals:</b>			<b>2.40</b>		<b>\$1,005.00</b>
<b>010:</b>	<b>Accounting and Financials</b>				
4/2/2020	Frank Cottrell	Update 13 Week Cash Flow Projections for Actuals.	1.50	\$400.00	\$600.00
4/6/2020	Frank Cottrell	Bank Account Reconciliation and Actuals Update.	2.10	\$400.00	\$840.00
4/6/2020	Frank Cottrell	Bank Account Reconciliation and Actuals Update.	2.10	\$400.00	\$840.00

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4/7/2020	Frank Cottrell	Call w/ J. White and A. Contreras to discuss new orders received to be modeled into winddown forecast.	0.70	\$400.00	\$280.00
4/8/2020	Frank Cottrell	Potential new orders analysis through May.	3.70	\$400.00	\$1,480.00
4/9/2020	Kathy Mayle	Emails with counsel and MACCO team regarding reporting provided to UCC counsel.	0.20	\$400.00	\$80.00
4/10/2020	Frank Cottrell	Bank Account Reconciliation and Actuals Update.	2.10	\$400.00	\$840.00
4/13/2020	Frank Cottrell	WIP Discussion w/ J. White, Review of Forecast from B. Sanchez, Creation of New Forecast.	2.10	\$400.00	\$840.00
4/14/2020	Frank Cottrell	Update 13 Week Cash Flow Projections for Actuals.	0.20	\$400.00	\$80.00
4/15/2020	Frank Cottrell	Update 13 Week Cash Flow Projections for Actuals, including redline of revisions.	1.00	\$400.00	\$400.00
4/22/2020	Frank Cottrell	Update 13 Week Cash Flow Projections for Actuals, including redline of revisions.	0.70	\$400.00	\$280.00
4/22/2020	Frank Cottrell	13 Week Cash Flow Projections Discussion with Jason White.	0.50	\$400.00	\$200.00

**010: Accounting and Financials Totals:****16.90****\$6,760.00****016: Case Administration**

4/1/2020	Kathy Mayle	Review emails to B. Griffin regarding IDI compliance.	0.10	\$400.00	\$40.00
4/6/2020	Kathy Mayle	Telephone discussion with J. Martin and M. Miller regarding amendments to schedules.	0.20	\$400.00	\$80.00
4/7/2020	Micah Miller	Amend February 2020 MOR.	0.50	\$350.00	\$175.00
4/7/2020	Drew McManigle	Internal emails re: case/ debtor updates from K. Mayle, F. Cottrell and P. Bonjour.	0.40	\$550.00	\$220.00
4/7/2020	Kathy Mayle	Email with counsel regarding amended schedules. Emails with MACCO team regarding case status.	0.40	\$400.00	\$160.00
4/13/2020	Micah Miller	March 2020 MOR.	4.00	\$350.00	\$1,400.00
4/15/2020	Micah Miller	March 2020 MOR.	0.50	\$350.00	\$175.00
4/16/2020	Kathy Mayle	Review revised March MOR and email M. Miller regarding same.	0.20	\$400.00	\$80.00
4/16/2020	Kathy Mayle	Review March MOR and email M. Miller regarding changes to same., and email same regarding payment of quarterly fees.	0.50	\$400.00	\$200.00
4/17/2020	Paul Maniscalco	Review Watson Valve 03/31/2020 MOR; provided edits to Micah Miller.	1.00	\$550.00	\$550.00
4/20/2020	Micah Miller	Prepare US Trustee Quarterly fee statement.	0.30	\$350.00	\$105.00
4/25/2020	Micah Miller	Prepare redline of Schedules A/B and F.	4.50	\$350.00	\$1,575.00

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4/25/2020	Kathy Mayle	Emails with J. Martin and M. Miller regarding Amended Schedules.	0.30	\$400.00	\$120.00
4/27/2020	Micah Miller	Amend March 2020 MOR.	0.80	\$350.00	\$280.00
4/29/2020	Micah Miller	Preparation of redlined Creditor Matrix and amended Creditor Matrix TXT file.	2.00	\$350.00	\$700.00

**016: Case Administration Totals:** **15.70** **\$5,860.00**

**018: Employment/Fee Applications/Objections**

4/9/2020	Kathy Mayle	Emails with D. McManigle and counsel regarding Amended Application to Employ, and review same.	0.50	\$400.00	\$200.00
4/9/2020	Kathy Mayle	Prepare Monthly Fee Statement and email same to D. McManigle.	0.80	\$400.00	\$320.00
4/10/2020	Drew McManigle	Note to/from counsel re: fee notice and attention to related case/engagement matters, and Amended Order appointing MACCO.	0.20	\$550.00	\$110.00
4/13/2020	Kathy Mayle	Revised Monthly Fee Statement, attach exhibits to same, and email to J. Martin for filing.	0.30	\$400.00	\$120.00
4/24/2020	Drew McManigle	Notes with counsel and K. Mayle re: filing 1st interim request.	0.20	\$550.00	\$110.00
4/25/2020	Kathy Mayle	Email J. Martin regarding filing of Monthly Fee Statement.	0.10	\$400.00	\$40.00

**018: Employment/Fee Applications/Objections Totals:** **2.10** **\$900.00**

**023: Preparation of Schedules and Statements**

4/6/2020	Micah Miller	Amend Schedule F - add litigation claimants.	2.50	\$350.00	\$875.00
4/6/2020	Micah Miller	Phone call with Jarrod Martin and Kathy Mayle to discuss amending schedules and statements.	0.30	\$350.00	\$105.00
4/6/2020	Kathy Mayle	Review import for supplemental schedules, and email to M. Miller regarding same.	0.30	\$400.00	\$120.00
4/7/2020	Micah Miller	Amend Schedule F - add creditors.	0.80	\$350.00	\$280.00
4/7/2020	Micah Miller	Amend Schedule F - review litigation claimants.	1.00	\$350.00	\$350.00
4/7/2020	Kathy Mayle	Emails to/from M. Miller regarding amended schedules, and review amended schedules and 20 Largest.	0.50	\$400.00	\$200.00
4/17/2020	Micah Miller	Amend Schedule F.	0.50	\$350.00	\$175.00
4/26/2020	Kathy Mayle	Review revised Amended Schedules as redlined, and emails with M. Miller regarding finalizing of same.	0.40	\$400.00	\$160.00
4/26/2020	Micah Miller	Prepare redline of Schedules A/B and F.	0.50	\$350.00	\$175.00

**023: Preparation of Schedules and Statements Totals:** **6.80** **\$2,440.00**

**TOTAL SERVICES RENDERED:** **58.00** **\$22,605.00**

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**SUBTOTAL \$22,605.00****AMOUNT DUE THIS INVOICE \$22,605.00****TIMEKEEPER SUMMARY**

<b>PROFESSIONAL</b>	<b>HOURS</b>	<b>RATE</b>	<b>AMOUNT</b>
Drew McManigle	4.20	\$550.00	\$2,310.00
Eric Moll	2.00	\$175.00	\$350.00
Frank Cottrell	26.10	\$400.00	\$10,440.00
Kathy Mayle	4.80	\$400.00	\$1,920.00
Micah Miller	18.50	\$350.00	\$6,475.00
Pablo Bonjour	1.40	\$400.00	\$560.00
Paul Maniscalco	1.00	\$550.00	\$550.00